

Belvedere:
Jerry Butler

June 23, 2005

Corte Madera:
Melissa Gill

Fairfax:
Lew Tremaine

TO: Transportation Authority of Marin Commissioners

Larkspur:
Joan Lundstrom

RE: Employee Health Benefits Plan

Mill Valley:
Dick Swanson

Dear Commissioners:

Novato:
Pat Eklund

As part of the 18-month work program, TAM retained the services of Gail Papworth to research health benefit plan options and assist TAM in the establishment of agreements to provide health and other related employee benefits. The Executive Committee has been presented with information and the recommendation to pursue an agreement with CalPERS for health benefits based on the following criteria:

Ross:
Jeanne Barr

San Anselmo:
Peter Breen

San Rafael:
Al Boro

Sausalito:
Amy Belser

Tiburon:
Alice Fredericks

County of Marin:
Susan Adams
Hal Brown
Steve Kinsey
Charles McGlashan
Cynthia Murray

- In the labor market compensation survey many of the comparing agencies have PERS health plans and thus supports the ease of transition for potential hires is greatly expanded and provides minimal distributions in health services for new employees.
- Largest public purchaser of employee health care benefits in California.
- Need to have retirement in place prior (or at time of) contracting.
- Health Plans: PPO-PERSCare & PERSChoice , HMO- specific to geographic area - Kaiser Permanente, Western Health Advantage.
- On-line system for automatic transactions.
- Provides training on benefits administration to agency.
- Administrative Cost: less than 1/2 of 1% by law cannot exceed 2% of the total gross premium.
- Ombudsman and Health Services Unit provide assistance to members when problems cannot be resolved with health plan.
- MediCare plan included.
- Life Insurance plans and long term / short term disability is covered under retirement plans with CalPERS.

These options correlate with TAM's ability to attract and hire experienced professionals in an industry and establish itself as an "employer of choice".

Dental and vision benefits are being evaluated and will need to be pursued separately as CalPERS does not offer these options.

The dollar amounts and percentages in the Resolution were set at the minimum prescribed by CalPERS and can be adjusted by TAM at a future meeting if desired.

Recommendation

Staff recommends that the Commission adopt the following resolution for election of TAM to be covered under the Public Employees' Medical and Hospital Care Act and to pursue an business agreement with CalPERS for health benefit representation.

Respectfully Submitted,

Craig Tackabery
Executive Director

Attachment: Resolution No. 2005-08

RESOLUTION NO. 2005-08
ELECTING TO BE SUBJECT TO
PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT
AND
FIXING THE EMPLOYER'S CONTRIBUTION FOR EMPLOYEES AND THE
EMPLOYER'S CONTRIBUTION FOR RETIREES AT DIFFERENT AMOUNTS

- WHEREAS, (1) Government Code Section 22922(a) extends the benefits of the Public Employees' Medical and Hospital Care Act to employees of contracting agencies on proper application by an agency; and
- WHEREAS, (2) Government Code Section 22892(c) provides that a contracting agency may fix the amount of the employer's contribution for employees and the employer's contribution for retired employees and survivors at different amounts provided that the monthly contribution for retired employees and survivors shall be annually increased by an amount not less than 5 percent of the monthly contribution for employees, until such time as the amounts are equal; and
- WHEREAS, (3) Government Code Section 22920(b) defines any Special District as a contracting agency, and
- WHEREAS, (4) A Special District is hereby defined as a non-profit, self-governed public agency within the State of California, and comprised solely of public employees performing a governmental rather than proprietary function, and
- WHEREAS, (5) The Transportation Authority of Marin, hereinafter referred to as Special District is an entity meeting the above definition; and
- WHEREAS, (6) The Special District desires to obtain for its employees, retired employees, and survivors the benefit of the Act and to accept the liabilities and obligations of an employer under the Act and Regulations; now, therefore, be it
- RESOLVED, (a) That the Special District elect, and it does hereby elect, to be subject to the provisions of the Act; and be it further
- RESOLVED, (b) That the employer's contribution for each employee shall be the amount necessary to pay the full cost of his enrollment, including the enrollment of his family members in a health benefits plan up to a maximum of \$48.40 per month; and be it further
- RESOLVED, (c) That the employer's contribution for each retired employee or survivor shall be the amount necessary to pay the cost of his enrollment, including the enrollment of his family members, in a health benefits plan up to a maximum of \$1.00 per month; and be it further

RESOLVED, (d) That the employer's contribution for each retired employee or survivor shall be increased annually by 5 percent of the monthly contribution for employees, until such time as the contributions are equal;

And that the contributions for employees, retired employees and survivors shall be in addition to those amounts contributed by the Special District for administrative fees and to the Contingency Reserve Fund; and be it further

RESOLVED, (e) That the executive body appoint and direct, and it does hereby appoint and direct, the Executive Director to file with the Board of Administration of the Public Employees' Retirement System a verified copy of this Resolution, and to perform on behalf of said Special District all functions required of it under the Act and Regulations of the Board of Administration; and be it further

RESOLVED, (f) that coverage under the Act be effective on August 1, 2005.

Adopted at a regular meeting of the Transportation Authority of Marin
at San Rafael this 23rd day of June 2005.

Chair, Transportation Authority of Marin

Attest: _____

Executive Director